15. (New) An apparatus for virtual product item placement on moving media, comprising:

means for editing the moving media; and

means for inserting virtual product items on the source media.

A1 contd

16. (New) The apparatus of claim 15, wherein the editing means is a digitization of the moving media.

17. (New) The apparatus of claim 15, wherein the inserting means comprises placing an object in the moving media by at least one of paint, montage and animation operations.

18. (New) The apparatus of claim 15, wherein the inserting means further, comprises an instantiation of the virtual product item as an object in the moving media.

REMARKS

Claims 9 through 18 are added by this Response. Please cancel claims 1 through 5. Thus, claims 6 through 18 are pending in the application. No new matter has been added by claims 9 through 18. Applicant hereby requests further examination and reconsideration of the application in view of the following remarks.

Claim Rejection – 35 U.S.C. §102

The Patent Office rejected claims 1-5 under 35 U.S.C. §102(a) as being anticipated by Freeman, "Eyemark Expands Virtually" Mediaweek, vol. 9, n. 7, pp. 9(1) 2/15/99.

The Patent Office rejected claims 1, 3-5 under 35 U.S.C. §102(a) as being anticipated by Ross, "Warner Bros. To Test 'Virtual' Ad Concept: TV Group Would Be First Big Syndicator to Use Technology" Advertising Age, 5/17/99.

The Patent Office rejected claims 1-5 under 35 U.S.C. §102(a) as being anticipated by Battaglio, "'Vitual' Product Placing Gets Real in UPN" Hollywood Reporter, vol. 357, NO. 4, p. 1, 3/25/99.

The Patent Office rejected claims 1, 3-5 under 35 U.S.C. §102(a) as being anticipated by "Special FX Marketing" US Distribution Journal (5/1999).

Applicant respectfully submits that the cancellation of claims 1 through 5 in the present application by applicant obviates the Freeman, Ross, Battaglio and US Distribution Journal rejections.

The Patent Office rejected claims 1, 3-6 under 35 U.S.C. §102(a) as being anticipated by "Virtual Ads, Real Problems" Advertising Age, 5/24/99.

Applicant respectfully submits that a *prima facie* case of anticipation is not proper as the Advertising Age reference is not valid as prior art under 35 U.S.C. §102. Applicant invented the invention as described in the present application prior to May 24, 1999 the effective date of the Advertising Age reference.

Please refer to the submission of a Rule 131 affidavit submitted by the inventor. The affidavit includes an invention disclosure form, which the inventor signed. The invention disclosure form was prepared and signed prior to May 24, 1999. Since the Advertising Age reference is not a prior art reference, the *prima facie* case of anticipation should be removed and all claims should be allowed.

Claims 1-5 stand rejected under 35 U.S.C. §102(e) as being anticipated by Sitnik (U.S. Patent No. 6,160,570). Applicant respectfully submits that the cancellation of claims 1 through 5 in the present application by applicant obviates the Sitnik rejection.

Claim Rejection – 35 U.S.C. §103

Claims 7 and 8 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Virtual Ads, Real Problems in view of Sitnik, (U.S. Patent No. 6,160,570). Applicant respectfully traverses this rejection.

Applicant may overcome a 35 U.S.C. 103 rejection based on a combination of references by showing completion of the invention by applicant prior to the effective date of any of the references; applicant need not antedate the reference with the earliest filing date. *MPEP* §715.02. Applicant respectfully submits that the applicant's invention was completed prior to the effective date of the Virtual Ads, Real Problems reference, therefore, overcoming the 35 U.S.C. §103(a) rejection. Applicant bases this assertion on applicant's Rule 131 affidavit, which includes the invention disclosure form. The

invention disclosure form was prepared and signed prior to May 24, 1999. Since Virtual Ads, Real Problems is not a prior art reference, the *prima facie* case of obviousness should be removed and all claims should be allowed.

CONCLUSION

In light of the forgoing, reconsideration and allowance of the claims is earnestly solicited.

Respectfully submitted,
Gateway, Inc.

Dated: July 18, 2002

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